

ABSTRACT

The invention is in the field of using a computer to provide automated investment allocation advice, selection of investment securities, customization of the automated advice, execution of investment securities, maintenance/monitoring of investment portfolios and rebalancing of investment portfolios. A user is connected to the Internet. The user connects to the portfolio management program (PMP) host computer through the Internet. The user completes a questionnaire that the PMP uses to generate a suitable investment allocation and specific portfolio strategy recommendation. The user reviews the strategy and specific information about the strategy. The information is transmitted across the Internet to the user. The information transmitted includes historic and/or hypothetical performance, historical and/or hypothetical holdings, current securities selections of the strategy, and a description of the strategy's selection methodology. The user, after making appropriate reviews, makes a decision to purchase the instruments in that portfolio. Now the user sees a list of instruments provided by the PMP host computer. The list of stocks is ordered by the degree to which they satisfy the requirements of the strategy. The user can then make the decision whether to accept, reject, or replace any individual security in the generated list or add an individual security. For example, the user can reject a security in the strategy and ask the PMP host computer to replace it with the next security that best fits. Once the user has approved the content of the proposed portfolio, the user enters an amount that the user will invest in accordance with the strategy. The PMP will allocate the investment amount across all the securities in the strategy. The user may authorize the PMP to purchase these selections through their qualified broker. The user may monitor the performance of these instruments subsequent to purchase through the PMP. The user may receive news, alerts, and/or research related materials for these instruments through the PMP. The user may authorize the PMP to rebalance their investments periodically to an updated list of instruments matching the selected strategy. The user may select a rebalance method that optimizes the tax consequences or the strategy adherence. The user has the ability to accept, reject, or replace any individual security in the generated list or add an individual security as part of the rebalance. The user can set up automatic email notification of rebalance dates or to have the PMP vote the proxy of the shares. The owner of the PMP host computer collects a payment for this service.